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*Sales and Use Taxation of Prescription Drugs*

Michigan's General Sales Tax Act (1933 PA 167) and Use Tax Act (1937 PA 94) were amended by Public Acts 173 and 172 of 2004 respectively. These amendments were given an effective date of September 1, 2004. They have been referred to as "streamlined sales tax" amendments. More information about Michigan's streamlined sales tax initiative can be found at [www.michigan.gov/treasury](http://www.michigan.gov/treasury).

Sales tax for Medicaid Health Plans:

- May not be added to the pharmacy's usual and customary charge.
- Pharmacies may not bill the beneficiary for sales tax.
- Sales tax may not be passed onto an agent of MDCH, which uses Medicaid funds to reimburse; such as a Medicaid health plans.